



Australian Bureau of Statistics

6248.0.55.002 - Employment and Earnings, Public Sector, Australia, 2008-09

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Summary

Main Features

KEY FIGURES

	Employees June 2009 '000	Cash wages and salaries 2008-09 \$m
Commonwealth Government	242.9	16 557.4
State Government	1 386.6	83 111.6
Local Government	178.0	8 465.8
Total Public Sector	1 807.4	108 134.8

KEY POINTS

- In June 2009 there were 1,807,400 public sector employees. There were 242,900 employees in Commonwealth government, 1,386,600 in state government and 178,000 in local government.

NOTES

INDUSTRY CLASSIFICATION

The estimates in this publication are based on the **Australian and New Zealand Standard Industrial Classification (ANZSIC), 2006** edition (cat. no. 1292.0). For further details see paragraph 16 of the Explanatory Notes.

INQUIRIES

For further information about these and related statistics, contact the National Information and Referral Service on 1300 135 070.

Tables

TABLES

1. PUBLIC SECTOR EMPLOYEES, Level of government - States and territories

June 2008

June 2009

	Commonwealth '000	State '000	Local '000	Total '000	Commonwealth '000	State '000	Local '000	Total '000
New South Wales	55.0	423.2	51.7	529.8	54.9	429.7	55.3	539.9
Victoria	42.9	295.9	41.7	380.5	45.2	310.3	44.4	399.8
Queensland	28.4	280.3	43.5	352.1	30.7	295.3	39.1	365.2
South Australia	14.9	111.1	10.1	136.0	15.9	108.8	10.2	134.9
Western Australia	13.8	152.4	16.6	182.8	13.3	159.1	19.4	191.8
Tasmania	5.4	38.2	5.0	48.6	6.3	38.1	5.9	50.3
Northern Territory	3.6	22.0	3.1	28.8	3.7	23.7	3.7	31.0
Australian Capital Territory	73.2	19.6	..	92.8	72.9	21.7	..	94.5
Australia	237.1	1 342.6	171.7	1 751.4	242.9	1 386.6	178.0	1 807.4

.. not applicable

2. PUBLIC SECTOR CASH WAGES AND SALARIES, Level of government - States and territories

	2007-08				2008-09			
	Commonwealth \$m	State \$m	Local \$m	Total \$m	Commonwealth \$m	State \$m	Local \$m	Total \$m
New South Wales	3 344.2	25 972.3	2 582.3	31 898.7	3 457.4	26 866.5	2 804.0	33 127.9
Victoria	2 651.8	16 146.1	1 688.7	20 486.6	2 912.2	17 643.2	1 855.7	22 411.0
Queensland	1 684.7	16 072.9	2 189.8	19 947.4	1 995.9	17 844.1	2 057.0	21 897.0
South Australia	910.8	6 011.0	474.7	7 396.5	989.2	6 339.0	530.9	7 859.1
Western Australia	797.1	8 365.0	705.5	9 867.5	789.9	9 430.8	867.7	11 088.4
Tasmania	298.6	2 106.5	208.0	2 613.0	367.2	2 185.1	262.5	2 814.9
Northern Territory	226.6	1 356.1	92.6	1 675.3	252.3	1 509.4	88.0	1 849.7
Australian Capital Territory	5 406.5	1 189.0	..	6 595.5	5 793.2	1 293.5	..	7 086.7
Australia	15 320.3	77 218.8	7 941.5	100 480.7	16 557.4	83 111.6	8 465.8	108 134.8

.. not applicable

3. PUBLIC SECTOR EMPLOYEES AND CASH WAGES AND SALARIES, Industry

	Employees		Cash wages and salaries	
	June 2008 '000	June 2009 '000	2007-08 \$m	2008-09 \$m
Electricity, gas, water and waste services	54.3	57.7	4 420.4	4 755.6
Construction	13.0	14.7	858.7	994.9
Transport, postal and warehousing	79.6	82.1	5 064.3	5 481.6
Information media and telecommunications	10.6	11.2	664.9	717.0
Financial and insurance services	12.3	11.4	909.3	916.1
Rental, hiring and real estate services	7.4	7.8	464.0	498.9
Professional, scientific and technical services	25.6	27.6	1 786.2	2 007.7
Public administration and safety	580.8	595.9	34 775.5	37 644.6
Education and training	543.8	560.1	26 628.1	28 597.4
Health care and social assistance	395.2	407.7	23 493.6	24 878.8
Arts and recreation services	14.9	16.0	684.3	741.2
Other industries(a)	13.9	15.3	731.3	900.9
All industries	1 751.4	1 807.4	100 480.7	108 134.8

(a) Includes Agriculture, forestry and fishing, Mining, Manufacturing, Wholesale trade, Retail trade, Accommodation and food services, Administrative and support services and Other services.

About this Release

Contains estimates of number of public sector employees and cash wages and salaries by level of

government by state. Also contains estimates of number of public sector employees and cash wages and salaries by industry for Australia. Additional unpublished information is available.

As there are only two sets of observations available for the annual Survey of Employment and Earnings - Public Sector, i.e. 2007-08 and 2008-09, which are included in the publication tables for this issue, no Time Series Spreadsheets have been produced for this issue. Time Series Spreadsheets will be available commencing with the 2009-10 issue of this publication.

Explanatory Notes

Explanatory Notes

EXPLANATORY NOTES

INTRODUCTION

1 This publication contains estimates of public sector employees and cash wages and salaries obtained from the annual Survey of Employment and Earnings (SEE). Prior to 2007-08 the survey was undertaken on a quarterly basis. Estimates from the quarterly SEE were published in **Wage and Salary Earners, Public Sector, Australia** (cat. no. 6248.0.55.001).

CONCEPTS, SOURCES AND METHODS

2 The conceptual framework used in SEE aligns closely with the standards and guidelines set out in Resolutions of the International Conference of Labour Statisticians. Descriptions of the underlying concepts and structure of Australia's employment and earnings statistics, and the sources and methods used in compiling these estimates, are presented in **Labour Statistics: Concepts, Sources and Methods** (cat. no. 6102.0.55.001).

3 Estimates of employee earnings presented in this publication are based on the Australian conceptual framework for measures of employee remuneration. Refer to paragraphs 19 to 22 for further details.

SCOPE

4 All public sector employing organisations and their employees are represented in the survey, except:

- members of the Australian permanent defence forces
- employees of overseas embassies, consulates, etc.
- employees based outside Australia
- employees on workers' compensation who are not paid through the payroll
- directors and office holders of public sector organisations who are not paid a salary.

SURVEY METHODOLOGY AND DESIGN

5 The SEE uses a sample survey methodology and collects information using a mail-out/mail-back collection methodology. Some government departments provide their information to ABS electronically.

6 The statistical unit for the survey comprises all activities of a public sector employer in a particular state or territory. Statistical units are stratified by state, industry and employment size, and within each stratum, statistical units are selected with equal probability.

7 A sample of public sector employer units is selected from the ABS Business Register to ensure

adequate state and industry representation. A sample redesign was undertaken for the 2008-09 survey based only on the 2006 edition of the Australian and New Zealand Standard Industrial Classification (ANZSIC), whereas the sample for the 2007-08 survey was designed on both the 2006 and 1993 editions of ANZSIC.

8 For the 2008-09 survey, the ABS also implemented a number of improvements to the ABS Business Register. Employment benchmarks for ATO maintained units (refer paragraph 11) have been updated to reflect more up-to-date information for use in stratification and estimation.

9 Due to the sample redesign, the sample size has decreased from about 2,500 employer units for the 2007-08 survey to about 2,000 units for 2008-09. The reduced sample size has resulted in increased standard errors for the 2008-09 estimates, in particular by level of government.

STATISTICAL UNITS DEFINED ON THE ABS BUSINESS REGISTER

10 The ABS uses an economic statistics units model on the ABS Business Register to describe the characteristics of businesses (and other organisations, including government departments), and the structural relationships between related businesses. The units model is also used to break groups of related businesses into relatively homogeneous components that can provide data to the ABS. The units model allocates businesses to one of two sub-populations, as follows:

ATO MAINTAINED POPULATION

11 Most businesses and organisations in Australia need to obtain an Australian Business Number (ABN), and are then included on the ATO Australian Business Register. Most of these businesses have simple structures; therefore the unit registered for an ABN will satisfy ABS statistical requirements. For these businesses, the ABS has aligned its statistical units structure with the ABN unit. The businesses with simple structures constitute the ATO Maintained Population, and the ABN unit is used as the economic statistics unit for all economic collections.

ABS MAINTAINED POPULATION

12 For the population of businesses where the ABN unit is not suitable for ABS statistical requirements, the ABS maintains its own units structure through direct contact with each business. These businesses constitute the ABS Maintained Population. This population consists typically of large, complex and diverse businesses and the statistical units model described below is used for these businesses.

13 Enterprise Group: This is a unit covering all the operations in Australia of one or more legal entities under common ownership and/or control. It covers all the operations in Australia of legal entities which are related in terms of the current Corporations Law (as amended by the **Corporations Legislation Amendment Act 1991**), including legal entities such as companies, trusts, and partnerships. Majority ownership is not required for control to be exercised.

14 Enterprise: The enterprise is an institutional unit comprising (i) a single legal entity or business entity, or (ii) more than one legal entity or business entity within the same Enterprise Group and in the same institutional sub-sector (ie they are all classified to a single Standard Institutional Sector Classification of Australia (SISCA) sub-sector).

15 Type of Activity Unit (TAU): The TAU comprises one or more business entities, sub-entities or branches of a business entity within an Enterprise Group that can report production and employment data for similar economic activities. When a minimum set of data items is available, a TAU is created which covers all the operations within an industry sub-division (and the TAU is classified to the relevant sub-division of ANZSIC). Where a business cannot supply adequate data for each industry, a TAU is formed which contains activity in more than one industry sub-division.

CLASSIFICATIONS

16 Each statistical unit is classified to an industry which reflects the primary activity of the organisation in the state or territory. Industry is classified according to the **Australian and New Zealand Standard Industrial Classification (ANZSIC), 2006** (cat. no. 1292.0). The 2006 edition of ANZSIC replaces the 1993 edition which has been in use since 1994. The 2006 edition of ANZSIC was developed to provide a more contemporary industrial classification system taking into account issues such as changes in the structure and composition of the economy, changing user demands and compatibility with major international classification standards.

17 Institutional units are classified by broad economic functions according to the Standard Institutional Sector Classification of Australia (SISCA) which is a key component of the general national accounting framework. For more details refer to **Standard Economic Sector Classifications of Australia (SESCA), 2008** (cat. no. 1218.0).

INPUT INTO THE AUSTRALIAN NATIONAL ACCOUNTS

18 Estimates of employee remuneration for the public sector are one of the inputs to the gross domestic product component of the Australian National Accounts, specifically compensation of employees estimates. The private sector component of compensation of employees estimates are provided by the Quarterly Business Indicators Survey which are published in **Business Indicators, Australia** (cat. no. 5676.0). For further details see **Australian National Accounts: Concepts, Sources and Methods** (cat. no. 5216.0).

COMPARABILITY OF SERIES

19 As noted in paragraph 3, estimates of employee earnings from the annual survey have been produced in accordance with the Australian conceptual framework for measures of employee remuneration.

20 The measure of employee earnings presented for the annual series is 'cash wages and salaries', which is regular and irregular wages and salaries in cash, including amounts salary sacrificed. For the quarterly series the published measure was 'gross earnings'. Gross earnings included regular and irregular wages and salaries in cash, but excluded salary sacrificed amounts. The quarterly series also included severance, termination and redundancy payments (STRP), which are not included in the annual series.

21 In addition, payments for accrued leave paid on termination are defined as part of cash wages and salaries in the annual series. In the quarterly series such payments were included as a component of STRP.

22 Because of these differences, care should be taken when comparing estimates of employee earnings for the annual series with those published for the quarterly series.

RELATED PUBLICATIONS

23 The following publications contain related information:

- **Australian Labour Market Statistics** (cat. no. 6105.0) - issued quarterly
- **Average Weekly Earnings, Australia** (cat. no. 6302.0) - issued quarterly
- **Employee Earnings and Hours, Australia** (cat. no. 6306.0) - issued biennially
- **Information Paper: Changes to ABS Measures of Employee Remuneration** (cat. no. 6313.0) - issued 14 November 2006
- **Labour Force, Australia** (cat. no. 6202.0) - issued monthly
- **Labour Price Index, Australia** (cat. no. 6345.0) - issued quarterly
- **Labour Statistics: Concepts, Sources and Methods** (cat. no. 6102.0.55.001)
- **Wage and Salary Earners, Public Sector, Australia** (cat. no. 6248.0.55.001) - issued quarterly (final issue June quarter 2007)

ABS DATA AVAILABLE ON REQUEST

24 As well as the statistics included in this and related publications, the ABS may have other relevant data available on request and for a charge. Inquiries should be made to the National Information and Referral Service on 1300 135 070.

ROUNDING

25 Where figures have been rounded, discrepancies may occur between sums of the component items and totals.

Glossary

GLOSSARY

Cash wages and salaries

Remuneration for time worked or work done and for time not worked, such as recreation and other types of paid leave. Comprises regular and irregular payments, including salary sacrificed amounts. Wages and salaries in cash are gross amounts, that is, before tax and other items (e.g. superannuation) are deducted.

Commonwealth government

All departments, agencies and authorities created by, or reporting to, the Commonwealth Parliament. Those bodies run jointly by the Commonwealth government and state governments are classified to Commonwealth.

Employees

Wage and salary earners who received pay for any part of the last pay period ending on or before 30 June, including part-time and casual employees, employees on paid leave, and employees on workers' compensation who continue to be paid through the payroll.

Industry

Industry is classified according to the **Australian and New Zealand Standard Industrial Classification (ANZSIC), 2006**.

Local government

Municipalities, shires and other local authorities created by or subject to the provisions of local government legislation, such as county councils in New South Wales.

State government

State government departments and authorities created by, or reporting to, state parliaments, including organisations for which the Commonwealth has assumed financial responsibility.

Abbreviations

ABBREVIATIONS

ABN	Australian Business Number
ABS	Australian Bureau of Statistics
ANZSIC	Australian and New Zealand Standard Industrial Classification
ATO	Australian Taxation Office
SEE	Survey of Employment and Earnings
SISCA	Standard Institutional Sector Classification of Australia
TAU	type of activity unit

Quality Declaration

QUALITY DECLARATION - SUMMARY

INSTITUTIONAL ENVIRONMENT

For information on the institutional environment of the Australian Bureau of Statistics (ABS), including the legislative obligations of the ABS, financing and governance arrangements, and mechanisms for scrutiny of ABS operations, please see ABS Institutional Environment.

RELEVANCE

Statistics on public sector employees and cash wages and salaries presented in this publication are obtained from the annual Survey of Employment and Earnings (SEE). The SEE is an Australia-wide survey covering a sample of federal, state and local government agencies. Estimates of employee earnings for the public sector are a key input to the gross domestic product component of the Australian National Accounts, specifically compensation of employees estimates. Data are also used by a number of federal and state departments to monitor employment and earnings trends in the public sector and to assist in developing and reviewing earnings and labour market policies.

Estimates are available by state/territory, level of government and industry.

TIMELINESS

The reference period for the Survey of Employment and Earnings is the year ending 30 June. Employment is reported from providers' payroll records, for the last pay period ending on or before 30 June. Employees remuneration data are reported on a cash basis from payroll records for payments made during the financial year.

Survey estimates are released approximately seven months after the reference period.

ACCURACY

Information for the Survey of Employment and Earnings is collected via mail questionnaires which are sent to approximately 2,000 public sector employers. The employer sample selected is stratified by state, industry division and employment size to ensure adequate state and industry representation. A minimum response rate of 95% is achieved for the survey as a whole and for each state and industry.

There are two principal sources of error in surveys, sampling error and non-sampling error. Non-sampling error arises from inaccuracies in collecting, recording and processing the data. Every effort is made to minimise non-sampling error by the careful design and testing of questionnaires, detailed checking of the reported data and quality control of processing.

Sampling error occurs when a sample or subset of the population is surveyed rather than the entire population. One measure of the likely difference resulting from not including all of the population in the survey is given by the standard error. There are about two chances in three that a sample estimate will differ by less than one standard error from the figure that would have been obtained if the whole population had been included in the survey.

COHERENCE

The annual SEE series, based on information obtained from a sample survey of public sector employers on the ABS Business Register, was introduced for the 2007-08 financial year. Prior to 2007-08 the survey was undertaken on a quarterly basis. Data for the private sector were collected in the quarterly SEE up to March quarter 2002.

The quarterly survey, which was also based on the ABS Business Register, was introduced in September 1983. This survey replaced the payroll tax based Civilian Employees series which was discontinued in April 1980 and the collection by the Government of employment and wages.

The conceptual basis of employee earnings statistics, produced from the annual Survey of Employment and Earnings and presented in this publication, is based on the Australian conceptual framework for measures of employee remuneration, as described in **Information Paper: Changes to ABS Measures of Employee Remuneration, 2006** (cat. no. 6313.0).

The measure of employee earnings presented for the annual series is 'cash wages and salaries', which is regular and irregular wages and salaries in cash, including amounts salary sacrificed. For the quarterly series the published measure was 'gross earnings'. Gross earnings included regular and irregular wages and salaries in cash, but excluded salary sacrificed amounts. The quarterly series also included severance, termination and redundancy payments (STRP), which are not included in the annual series.

In addition, payments for accrued leave paid on termination are defined as part of cash wages and salaries in the annual series. In the quarterly series such payments were included as a component of STRP.

Because of these differences, care should be taken when comparing estimates of employee earnings for the annual series with those published for the quarterly series.

The SEE uses Australian standard classifications to facilitate data comparability across statistical series. Industry data for 2007-08 onwards are classified according to the **Australian and New Zealand Standard Industrial Classification (ANZSIC), 2006** edition (cat. no. 1292.0). Data for the quarterly series are classified according to the 1993 edition of ANZSIC.

In addition to the Survey of Employment and Earnings, the ABS conducts a number of other sample surveys of businesses which collect information about employee earnings. These include the Average Weekly Earnings survey, Survey of Employee Earnings and Hours and Labour Price Index Survey. It is important to note that these surveys have different purposes and that there are differences in the concepts, sample selection and estimation methodologies used.

INTERPRETABILITY

Employment and Earnings, Public Sector, Australia (cat. no. 6248.0.55.002) contains Explanatory Notes, a Glossary and a Technical Note which provide further information about data sources, terminology and other technical aspects of the series.

ACCESSIBILITY

Employment and Earnings, Public Sector, Australia (cat. no. 6248.0.55.002) is available from the ABS website.

If the information you require is not available as a standard product or service, then ABS Consultancy Services can help you with customised services to suit your needs. Inquiries should be made to the National Information and Referral Service on 1300 135 070.

- Sampling Error (Technical Note)

TECHNICAL NOTE - SAMPLING ERROR

RELIABILITY OF ESTIMATES

1 As the estimates from the Survey of Employment and Earnings are based on information collected from a sample of public sector employers rather than a full enumeration, they are subject to sampling variability. That is, they may differ from the estimates that would have been produced if the information had been obtained from all public sector employers. This difference, called **sampling error**, should not be confused with inaccuracy that may occur because of imperfections in reporting by respondents or in processing by the ABS. Such inaccuracy is referred to as **non-sampling error** and may occur in any enumeration whether it be a full count or a sample. Efforts have been made to reduce non-sampling error by careful design of questionnaires, detailed checking of returns and quality control of processing.

2 The sampling error associated with any estimate can be estimated from the sample results. One measure of sampling error is given by the **standard error** which indicates the degree to which an estimate may vary from the value that would have been obtained from a full enumeration (the 'true value'). There are about two chances in three that a sample estimate differs from the true value by less than one standard error, and about nineteen chances in twenty that the difference will be less than two standard errors.

3 An example of the use of standard error on levels estimates is as follows. If the estimated number of employees was 1,400,000 with a standard error of 3,000, then there would be about two chances in three that a full enumeration would have given a figure in the range 1,397,000 to 1,403,000 and about nineteen chances in twenty that it would be in the range 1,394,000 to 1,406,000.

4 Another measure of the sampling error (for level estimates only) is the **relative standard error**, which is obtained by expressing the standard error as a percentage of the estimate to which it refers. Estimates with relative standard errors greater than 25% are not considered sufficiently reliable for most purposes and should be used with caution.

5 The following table shows the standard errors for published estimates for states and territories and level of government for 2008-09. Standard errors for other estimates are available on request.

STANDARD ERRORS, Public sector employees and cash wages and salaries

	Employees June 2009				Cash wages and salaries 2008-09			
	Commonwealth	State	Local	Total	Commonwealth	State	Local	Total
	'000	'000	'000	'000	\$m	\$m	\$m	\$m
New South Wales	1.7	1.8	2.1	1.0	118.4	196.9	107.4	145.1
Victoria	1.8	2.5	1.9	1.5	105.3	139.8	81.4	87.4
Queensland	2.3	1.8	1.3	1.5	185.3	124.5	45.0	134.8
South Australia	1.5	0.9	1.4	0.4	75.2	61.0	79.4	30.4
Western Australia	1.0	1.6	2.2	1.0	69.4	107.6	101.5	68.4
Tasmania	1.0	1.1	1.1	0.6	60.3	68.6	50.2	28.5
Northern Territory	0.2	0.3	-	0.3	12.0	16.3	1.3	7.3
Australian Capital Territory	0.4	0.4	..	0.4	42.4	29.8	..	34.1
Australia	3.4	3.5	4.1	2.3	248.3	279.2	199.4	235.7

.. not applicable

- nil or rounded to zero (including null cells)

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